

# South Carolina Board of Economic Advisors

## Statement of Estimated State Revenue Impact

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**Date:** January 7, 2008

**Bill Number:** H.B. 4310

**Authors:** Toole; Clyburn

**Committee Requesting Impact:** House Ways & Means Committee

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### Bill Summary

A bill to amend Section 12-6-5060, as amended, of the Code of Laws of South Carolina, 1976, relating to the voluntary contribution of funds to various entities by a person on his state individual income tax return, so as to establish the State Highway Repaving Trust Fund as an entity to which a person may make voluntary contributions; and by adding Section 57-11-30 so as to create the State Highway Repaving Trust Fund which consists of taxpayers' voluntary contributions which must be appropriated to the state's counties for the repair and maintenance of roads.

### REVENUE IMPACT <sup>1/</sup>

This bill would have no effect on state or local revenue. Contributions to the "State Highway Repaving Trust Fund" from the designation on the individual income tax return are an estimated \$30,000 annually.

### Explanation

This bill would add Section 57-11-30 to create the South Carolina Highway Repaving Trust Fund. This bill would also amend Section 12-6-5060 to permit a taxpayer to contribute to the South Carolina Highway Repaving Trust Fund by designating a contribution to the fund on the individual income tax return. This action would not increase or decrease the income tax liability of the taxpayer. The contributions would be deposited with the State Treasurer and appropriated among the counties by the ratio of a county's population relative to the population of the entire state as shown by the latest official decennial census as provided by the Office of Economic Research. All interest earning on the fund must be credited to the fund and allocated in the same manner as the fund contributions. The contributions must be expended solely for the purpose of road repair and maintenance within a county as authorized by the governing body of a county. This bill would collect an estimated \$30,000 annually to the South Carolina Highway Repaving Trust Fund. This estimate is based on first year contributions to new designations added to the individual income tax return in recent years. This individual income tax designation would first appear on individual income tax forms filed for taxable year 2008.

/s/ WILLIAM C. GILLESPIE, PH.D.

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Chief Economist

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<sup>1/</sup> This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.